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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

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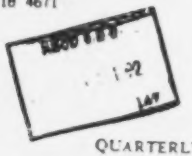

FORM 10-Q

PG2-2228

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For Quar -d May 31, 1992

Commission -r 2-26860

PROCESSED BY
9-9-92

Sensing Technology, Inc.

(Exact name of registrant as specified in its charter)

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

New Jersey

(State or other jurisdiction of incorporation or organization)

(I.R.S. employer Identification No.) 139

375 Sylvan Avenue, Englewood Cliffs, NJ 07632

(Address of principal executive offices) (Zip Code)

(201) 568-7079

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 31, 1992
Common Stock, no par value	74,206,081 shares

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SENSA SENSING TECHNOLOGY, INC. & SUBSIDIARIES
STATEMENT OF INCOME
(UNAUDITED)

	THREE MONTHS ENDED MAY 31,		SIX MONTHS ENDED MAY 31,	
	1992	1991	1992	1991
Revenues:				
Net sales	$ 480,399	$ 371,245	$ 864,412	$ 795,792
Interest income	27,207	42,263	59,142	91,669
Other Income	9,035		9,035	
	516,641	413,508	932,589	887,461
Costs and expenses:				
Cost of sales	164,630	135,649	334,582	277,157
Selling, general and administrative	251,421	195,094	487,274	379,373
Research and development	42,041	28,743	66,598	60,418
Totals	458,092	359,486	888,454	716,948
Income before provision for income taxes	58,549	54,022	44,135	170,513
Provision for income taxes	14,905	10,190	15,875	59,790
Net Income	$ 43,644	$ 43,832	$ 28,260	$ 110,723
Net income per share	-	-	-	-
Weighted average number of shares outstanding	74,517,061	74,527,081	74,517,081	74,527,081

(See Notes to Financial Statements)

SENTEX SENSING TECHNOLOGY, INC. & SUBSIDIARIES
STATEMENT OF CASH FLOWS
(UNAUDITED)

	SIX MONTHS ENDED MAY 31, 1992	MAY 31, 1991
Operating activities:		
Net income (Loss)	$ 28,260	$ 110,723
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,928	10,804
Deferred income taxes	-0-	-0-
Warranty costs	(1,310)	(3,730)
Increase (decrease) from changes in:		
Accounts receivable	(96,935)	(117,625)
Inventories	(30,826)	28,304
Prepaid expenses	(32,290)	(11,076)
Other current assets	10,966	(26,907)
Accounts payable	8,876	25,165
Accrued expenses and other current liabilities	(100,274)	(78,259)
Income taxes payable	(14,004)	(71,072)
Net cash provided by (used in) operating activities	(219,609)	(133,673)
Investing activities:		
Redemption of short-term investments	2,827,593	1,553,681
Purchase of short-term investments	(2,517,729)	(1,409,820)
Acquisition of equipment and improvements	(3,734)	-
Disposition of equipment	10,826	-
Net cash provided by (used in) investing activities	316,956	143,861
Net increase (decrease) in cash	97,347	10,188
Cash, beginning of period	142,438	15,031
Cash, end of period	$ 239,785	$ 25,219

NOTES TO FINANCIAL STATEMENTS

1. In the opinion of management, the unaudited financial statements contain all adjustments (consisting of only normal recurring accruals and repayments) necessary to present fairly the financial positions at May 31, 1992 and May 31, 1991, and the results of operations and cash flows for the three and six months ended May 31, 1992 and May 31, 1991.

2. The results of operations for the three and six months ended May 31, 1992 and May 31, 1991 are not necessarily indicative of the results to be expected for the full year.

3. Inventories:

   Inventories consist of the following:

	May 31, 1992	May 31, 1991
Raw Material	$ 95,909	$ 97,475
Work-in-process	52,080	6,575
Finished goods	23,160	9,279
Totals	$171,149	$113,329

4. Net income per share:

   Net income per share amounts were computed on the basis of the weighted average number of shares of common stock outstanding during each period. Common share equivalents (outstanding warrants and options) have not been included since their effect would either be anti-dilutive or insignificant.

5. Principles or Consolidation:

   The consolidated financial statements includes the accounts of Sentex Systems, Inc. and Sentex Acquisition Corp. All significant intercompany accounts and transactions have been eliminated in consolidation.

6. Certain Relationships and Related Transactions:

   On December 12, 1991, the Company made a loan of $75,000 (the "Loan") to Amos Linenberg, a Director and President of the Company. The Loan was evidenced by eight separate promissory notes with an aggregate principal amount of $75,000 all payable on December 10, 1992. The promissory notes bear interest at the prime interest rate plus 1%. As of May 12, 1992, this loan was repaid in full.

Mr. Simon Shilo, an employee of the Company, is reimbursed $1,050.00 per month for the rental cost of his apartment. Mr. Shilo rents the apartment from Amos Linenberg, a Director and President of the Company. The Company believes that the terms of the lease to be on terms no less favorable to the Company than could have been obtained from unaffiliated third parties.

All current transactions between the Company, and its officers, directors and principal stockholders or any affiliates thereof are, and in the future such transactions will be, on terms no less favorable to the Company than could be obtained from unaffiliated third parties.

The Company formed two wholly owned subsidiaries, Sentex Systems, Inc., and Sentex Acquisitions Corp. on May 31, 1991 to separate the present operations of the company into a subsidiary to continue the business of designing, developing and marketing gas chromatographic devices, and a subsidiary to develop and acquire new investment opportunities. Both subsidiaries are incorporated in the State of Delaware and authorized to do business in the State of New Jersey.

Net sales of Company's products increased from $371,245 for the three months ended May 31, 1991 to $480,399 for the three months ended May 31, 1992. Orders for the Company's products received but not yet delivered as of May 31, 1992 amounted to $319,062 a slight decrease from the comparative period in the prior fiscal year. Operations resulted in a net income of $43,644 for the three months ended May 31, 1992, as compared to a net income of $78,958 for the comparative period in the prior fiscal year.

Costs of sales for the three months ended May 31, 1992 increased slightly to 34% of net sales as compared to 32% for the similar period in 1991. This increase resulted from the addition of production personnel and redesign and development costs expensed in the present fiscal quarter.

Interest income decreased to $27,207 for the three months ended May 31, 1992, as compared to $42,263 for the similar period in 1991. This decrease results from a declination of interest rates for invested capital.

Working capital increased to $3,085,600 compared to $3,036,946 at May 31, 1991. Cash and short-term investments amounted to $2,612,917. The amount of funds currently available are expected to be sufficient to fulfill the Company's anticipated cash requirements and other uses throughout 1992.

Item 6. Exhibits and Reports on Form 8 K

(a) No exhibits were required to be filed for the three months ended May 31, 1992.

(b) The company was not required to file Form 8-K for the three months ended May 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused the report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE: 7/14/92

Amos Linenberg, President

DATE: 7/14/92

Joanne Bianco, Secretary